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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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PART III Section

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Information Required of Brokers and Dealers ~~Washington, DC~~ Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-11 Thereunder

REPORT FOR THE PERIOD BEGINNING 1/01/10 AND ENDING 12/31/10
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER: Miller Tabak Roberts Securities, LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM ID. NO.

331 Madison Avenue

(No. and Street)

New York,

(City)

New York

(State)

10017

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Mr. Joel Miller

(212) 867-5546

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Grant Thornton LLP

(Name - if individual, state last, first, middle name)

60 Broad Street

(Address)

New York

(City)

N.Y.

(State)

10004

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

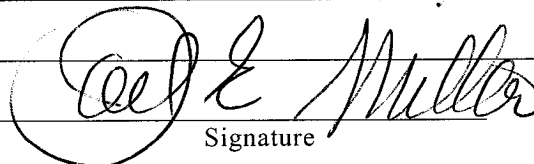
SEC 1410 (06-02)

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WJ
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OATH OR AFFIRMATION

I, Joel Miller, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Miller Tabak Roberts Securities, LLC, as of December 31, 2010, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Signature

Member of the Managing Member
Title



Notary Public

LOIS E. TORRES
Notary Public, State of New York
No. 31-4845984
Qualified in Suffolk County
Certificate Filed in New York County
Commission Expires 01-21-2014

This report ** contains (check applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☒ (o) Independent auditor's report on Internal Control.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

Report Pursuant to Rule 17a-5(d) and
Report of Registered Public
Accounting Firm

MILLER TABAK ROBERTS SECURITIES, LLC

December 31, 2010

MILLER TABAK ROBERTS SECURITIES, LLC

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REPORT OF REGISTERED PUBLIC ACCOUNTING FIRM

The Members of
Miller Tabak Roberts Securities, LLC

We have audited the accompanying statement of financial condition of Miller Tabak Roberts Securities, LLC (the "Company") as of December 31, 2010, and the related statements of operations, changes in members' equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miller Tabak Roberts Securities, LLC as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on pages 15-16 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Grant Thornton LLP".

New York, New York
February 24, 2011

MILLER TABAK ROBERTS SECURITIES, LLC
Statement of Financial Condition
December 31, 2010

ASSETS

Cash and cash equivalents	\$ 2,829,951
Due from brokers and dealers	14,135,844
Securities owned, at market value	1,650,947
Fixed assets, net of accumulated depreciation and amortization of \$953,620	343,484
Other assets	<u>517,623</u>
 Total assets	 <u>\$19,477,849</u>

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

Securities sold, not yet purchased, at market value	\$ 1,379,171
Accrued compensation and other liabilities	<u>8,669,885</u>
	10,049,056
 Members' equity	 <u>9,428,793</u>
 Total liabilities and members' equity	 <u>\$19,477,849</u>

The accompanying notes are an integral part of this statement.

MILLER TABAK ROBERTS SECURITIES, LLC
Statement of Operations
Year ended December 31, 2010

REVENUES

Net realized and unrealized gains on trading activities	\$ 39,598,194
Commissions	3,902,240
Dividends, interest and other	<u>89,815</u>
	<u>43,590,249</u>

EXPENSES

Employee compensation and benefits	30,765,200
Communications and technology	3,512,839
Clearance and floor brokerage fees	1,009,422
Occupancy	820,658
Professional and consulting fees	763,878
Shared administrative and clerical personnel	891,502
Business development	532,169
Taxation expense	334,583
Other	<u>1,025,465</u>
	<u>39,655,716</u>

Net income	<u>\$ 3,934,533</u>
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The accompanying notes are an integral part of this statement.

MILLER TABAK ROBERTS SECURITIES, LLC
Statement of Changes in Members' Equity
Year ended December 31, 2010

Balance at December 31, 2009	\$12,994,704
Net income	3,934,533
Distributions to members	<u>(7,500,444)</u>
Balance at December 31, 2010	<u>\$ 9,428,793</u>

The accompanying notes are an integral part of this statement.

MILLER TABAK ROBERTS SECURITIES, LLC

Statement of Cash Flows

Year ended December 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 3,934,533
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation and amortization of fixed assets	267,618
Stock-based compensation	35,911
Decrease (increase) in assets	
Due from brokers and dealers, net	4,265,633
Securities owned, at market value	(292,557)
Other assets	68,022
(Decrease) increase in liabilities	
Securities sold, not yet purchased, at market value	344,231
Claims payable	(3,665,351)
Accrued compensation and other liabilities	<u>1,029,387</u>
Net cash provided by operating activities	<u>5,987,427</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of fixed assets	<u>(143,218)</u>
Net cash used in investing activities	<u>(143,218)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Distributions to members	<u>(7,500,444)</u>
Net cash used in financing activities	<u>(7,500,444)</u>
Net decrease in cash and cash equivalents	(1,656,235)

Cash and cash equivalents at beginning of year	<u>4,486,186</u>
------------------------------------------------	------------------

Cash and cash equivalents at end of year	<u>\$ 2,829,951</u>
------------------------------------------	---------------------

Supplemental disclosures of cash flow information:

Cash paid during the year for	
Taxes	<u>\$ 673,278</u>

The accompanying notes are an integral part of this statement.

MILLER TABAK ROBERTS SECURITIES, LLC
Notes to Financial Statements
December 31, 2010

1. ORGANIZATION

Miller Tabak Roberts Securities, LLC ("MTR" or the "Company"), a New York limited liability company, is a registered broker-dealer with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). MTR Capital Corp., a Delaware corporation, is the parent, which owns 76.2% of the Company and acts as the managing member. Profits, losses and distributions are allocated among the members on a pro rata basis based on ownership interests. MTR is an institutional broker-dealer specializing primarily in fixed income securities (investment grade, high yield, convertible, emerging market debt and asset backed securities) as well as trading in preferred stock and distressed and bankrupt securities.

The Company clears its securities transactions on a fully disclosed basis through JP Morgan Clearing Corp. It also has a clearing arrangement with Pershing LLC (the "Clearing Brokers").

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent; however, actual results could differ from those estimates.

All securities transactions and related revenues and expenses are recorded on a trade-date basis. Securities owned and securities sold, not yet purchased are recorded at market value with the unrealized profit or loss reflected in net realized and unrealized gains on trading activities in the statement of operations. Market value is generally based on the last quoted price as of the end of the year. If a security did not trade on such day, the value is based upon prices quoted by unaffiliated market makers that regularly trade similar securities. Interest income is recorded on an accrual basis. Dividend income is recorded at the ex-dividend date.

The fair values of the Company's assets and liabilities approximate the carrying amounts presented in the statement of financial condition.

The Company considers all highly liquid investments purchased with an initial maturity of 90 days or less to be cash equivalents. Cash and cash equivalents include cash in banks and investments in overnight money market accounts.

Office furniture, equipment, software development and other fixed assets are depreciated on a straight-line basis over their estimated useful lives, from three to five years. Leasehold improvements are amortized over the lesser of their useful life or the term of the related lease.

Fair Value Measurements

The Company adopted the guidance issued by Financial Accounting Standards Board ("FASB") to establish accounting and reporting standards related to fair value measurements. This guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities

MILLER TABAK ROBERTS SECURITIES, LLC
Notes to Financial Statements
December 31, 2010

(Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 - Quoted prices are available in active markets for identical investments as of the reporting date. These include exchangeable trade date inventory purchased or sold carried at contract value. We do not adjust the quoted price for these investments, even in situations where we hold a large position and a sale could reasonably impact the quoted price.
- Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. These include MTR's unique independent credit research capabilities, long standing and broad relationships with leading institutional fund managers, banks, and wholesale market brokers.
- Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. (See Note 5).

3. DUE FROM BROKERS AND DEALERS

Due from brokers and dealers primarily includes realized profits, proceeds from securities sold short, net receivables and payables for unsettled transactions and claims and deposits with the Clearing Brokers. Proceeds related to securities sold, not yet purchased, are restricted until the securities are purchased. Margin debt is generally collateralized by certain of the Company's securities owned, although at December 31, 2010, the Company had no margin debt.

4. NET CAPITAL

MTR is subject to the SEC's Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Minimum net capital is defined as the greater of 6-2/3% of aggregate indebtedness (\$8,669,885 as of December 31, 2010) or \$100,000. At December 31, 2010, MTR had net capital of \$8,313,858, which was \$7,735,865 in excess of the amount required.

MILLER TABAK ROBERTS SECURITIES, LLC
Notes to Financial Statements
December 31, 2010

Proprietary accounts held at the Clearing Brokers ("PAIB Assets") are considered allowable assets in the computation pursuant to an agreement between the Company and the clearing broker, which requires, among other things, that the Clearing Brokers perform a computation for PAIB Assets similar to the customer reserve computation set forth in SEC Rule 15c3-3.

Certain advances, distributions and other equity withdrawals are subject to certain notification and restriction provisions of the SEC's Uniform Net Capital Rule.

5. SECURITIES OWNED AND SECURITIES SOLD, NOT YET PURCHASED

The following table summarizes the valuation of the Company's securities positions by the above fair value hierarchy levels, as mentioned in Note 2 above, and in accordance with accounting guidance, as of December 31, 2010.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
ASSETS				
Securities owned				
Corporate bonds	\$ 1,232,885	\$ 46,330	\$ -	\$ 1,279,215
Equity securities	<u>311,699</u>	<u>60,033</u>	<u>-</u>	<u>371,732</u>
	<u>\$ 1,544,584</u>	<u>\$ 106,363</u>	<u>\$ -</u>	<u>\$ 1,650,947</u>
LIABILITIES				
Securities sold, not yet purchased				
Corporate bonds	\$ 1,374,671	\$ -	\$ -	\$ 1,374,671
Equity securities	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
	<u>\$ 1,379,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,379,171</u>

6. FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND CONCENTRATION OF CREDIT RISK

From time to time, MTR may trade various financial instruments and enter into various investment activities with off-balance-sheet risk, including securities sold, not yet purchased.

Securities sold, not yet purchased are recorded as liabilities in the statement of financial condition and have market risk to the extent that MTR, in satisfying its obligation, may have to purchase securities at a higher value than that recorded in the statement of financial condition.

MTR continuously monitors its transactions with off-balance-sheet risk.

MILLER TABAK ROBERTS SECURITIES, LLC

Notes to Financial Statements

December 31, 2010

The Company maintains cash balances with several financial institutions. Certain account balances may not be covered by the FDIC, while other accounts, at times, may exceed federally insured limits. The Company believes that the risk from the concentration of cash balances with such financial institutions is not significant. At December 31, 2010, all of the Company's due from brokers and dealers and securities owned are held at the Company's Clearing Brokers and therefore are subject to the credit risk of the Clearing Brokers. The Clearing Brokers are members of SIPC and customers (as defined in the Securities Investor Protection Act) are afforded benefits if the SIPC member fails financially.

U.S. GAAP requires the disclosure of information about obligations under certain guarantee arrangements. In this regard, MTR has agreed to indemnify the Clearing Brokers for losses that they may sustain from the customer accounts introduced by the Company. Pursuant to the Clearing Agreement, the Company is required to reimburse the Clearing Brokers without limit for any losses incurred due to any counterparty's failure to satisfy its contractual obligations. However, the transactions are collateralized by the underlying security, thereby reducing the associated risk to changes in the market value of the security through the settlement date. As a result of the settlement of these transactions, there were no amounts to be indemnified to the Clearing Brokers for the customer accounts at December 31, 2010.

7. CONTINGENCIES

From time to time in the normal course of business, the Company may be a party to various litigation matters and regulatory inquiries. While the ultimate legal and financial liability of the Company, if any, with respect to such matters cannot be estimated with certainty, the Company believes, based on its examination of such matters and on advice received from outside counsel, that such ultimate liability would not have a material adverse effect on the financial condition, results of operations or cash flows of the Company.

8. COMMITMENTS

The Company is committed to pay rent for office spaces under non cancelable leases with minimum annual rental payments. Such leases are subject to escalation clauses covering operating expenses and real estate taxes. The Company renewed its current New York lease (which terminates in 2011) for an additional ten years. After the first five years the Firm has an option to terminate this lease with the payment of a fee of \$325,000. The Landlord has the option to give the Firm sixteen months' termination notice including six months of free rent. The Florida lease also expires in 2011 and this was renewed for an additional three years. Expected minimum annual rental payments under current and the renewed operating lease agreements are as follows:

2011	\$ 572,646
2012	572,407
2013	530,960
2014	476,197
2015	452,832
Thereafter	<u>2,805,472</u>
	<u>\$ 5,410,514</u>

Rent expenses for the year ended December 31, 2010, were \$651,746.

MILLER TABAK ROBERTS SECURITIES, LLC
Notes to Financial Statements
December 31, 2010

9. RELATED PARTY TRANSACTIONS

Effective January 1, 2006, Miller Tabak & Co. ("MT") (a minority investor in MTR) and MTR entered into a cost sharing arrangement whereby MTR and MT agreed to share the cost of certain administrative services and employees. Under this arrangement, the Company compensates MT for the costs associated with certain shared employees and services. These employees are primarily responsible for providing technology, telecommunications, reception and messenger services.

For the year ended December 31, 2010, the Company incurred shared expenses of \$891,502.

10. INCOME TAXES

The Company is not subject to federal income taxes and is subject to some state income taxes. Taxes payable, if any, are the responsibilities of the individual members. The Company is subject to New York City Unincorporated Business Tax, Texas Corporation Franchise Tax, Metropolitan Commuter Transportation Mobility Tax and New York City Commercial Rent Tax. The Company paid actual and estimated taxes during the course of the year and has sufficient additional reserves available to cover any additional taxes that may still be due for 2010 once all the year's tax returns are finalized.

In accordance with accounting guidance, there are financial accounting and disclosure requirements for recognition and measurement of tax positions, including interest and penalties, taken or expected to be taken on an income tax return. The Company has reviewed the tax positions and has determined that the Company has no tax positions that require measurement or require additional disclosure.

11. SUBSEQUENT EVENTS

The Company has evaluated the possibility of subsequent events existing in the Company's financial statements through the date the financial statements were available to be issued. The Company has determined that there are no material events that would require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

MILLER TABAK ROBERTS SECURITIES, LLC
Computation of Net Capital Pursuant to Rule 15c3-1 of the
Securities and Exchange Commission
December 31, 2010

Total members' equity		\$ 9,428,793
Non allowable assets		
Non marketable securities	\$ 132,967	
Other	<u>861,703</u>	
Total non allowable assets		<u>994,670</u>
Net capital before haircuts on securities positions		8,434,123
Haircuts on securities positions		
Debt securities	20,162	
Other securities	91,475	
Balances denominated in foreign currencies	<u>8,628</u>	
Total haircuts on securities positions		<u>120,265</u>
Net capital		8,313,858
Minimum net capital requirement (the greater of 6-2/3% of aggregate indebtedness of \$8,669,885 or \$100,000)		<u>577,993</u>
Excess net capital		<u>\$ 7,735,865</u>
Ratio of aggregate indebtedness to net capital		<u>1.04 to 1</u>

There are no material differences between the amounts presented above and the amounts reported in the Company's unaudited Part IIA Focus Report as of December 31, 2010.

MILLER TABAK ROBERTS SECURITIES, LLC
Statement Regarding Determination of Reserve Requirements
for Broker-Dealers and Information Relating to Possession or
Control Requirement Under Sec Rule 15c3-3
December 31, 2010

The Company is exempt from SEC Rule 15c3-3 pursuant to paragraph (k)(2)(ii) of the rule.

SUPPLEMENTARY REPORT



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**REGISTERED PUBLIC ACCOUNTING FIRM'S SUPPLEMENTARY REPORT
ON INTERNAL CONTROL REQUIRED BY SEC RULE 17a-5(g)(1)**

To the Members of
Miller Tabak Roberts Securities, LLC

In planning and performing our audit of the financial statements of Miller Tabak Roberts Securities, LLC (the "Company") as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants, we considered the Company's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion.

Also, as required by Rule 17a-5(g)(1) of the U.S. Securities and Exchange Commission ("SEC"), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included tests of compliance with such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g), in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3.

Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

Management of the Company is responsible for establishing and maintaining effective internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America ("U.S. GAAP"). Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in the Company's internal control, including control activities for safeguarding securities, that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2010, to meet the SEC's objectives.

This report is intended solely for the information and use of the members of the Company, management, the SEC, the Financial Industry Regulatory Authority, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in dark ink, appearing to read "Scott T. Smith". To the right of the signature are the initials "JJP".

New York, New York
February 24, 2011